Committee on Resources,

Subcommittee on Forests & Forest Health

<u>forests</u> - - Rep. Scott McInnis, Chairman U.S. House of Representatives, Washington, D.C. 20515-6205 - - (202) 225-0691

Witness Statement

Testimony by Bob Warren For the Subcommittee on Forests and Forest Health September 25, 2001

Good afternoon. It is a genuine pleasure for me to be part of this important hearing today. I am Bob Warren and I am Chairman of the National Alliance of Gateway Communities. NAGC is the national organization that represents the interests of hundreds of communities that serve as "gateways" for millions of visitors to the treasures of our national forests, parks and other Federal public lands. I am also General Manager of the Shasta Cascade Wonderland Association, a multi-jurisdictional tourism marketing organization in Northern California.

Outdoor recreation on public lands is as important to the social fabric of America as baseball and apple pie. The United States is unique in that it has set aside millions of acres of public land for the use of all. Our country offers probably one of the most extensive "menus" of recreational opportunities on public lands of any nation in the world. A number of communities in the west have either developed because of outdoor recreation or have transitioned into being service centers for those users of public lands. There are numerous examples of communities that were founded because of resource extraction and that have now become healthy and viable recreation oriented destinations for ever-increasing outdoor recreation enthusiasts.

As California and the United States become more populated, public lands set aside for outdoor recreation uses, will become increasingly more important. The density of many big cities is in the hundreds of people per acre, and along with stressful jobs, individuals need a way to "get-away from it all". Public lands offer an opportunity for families to reconnect, for individuals to "recharge their batteries", and a way for all to enjoy a wide variety of outdoor recreational experiences that are both healthy for the body and the soul.

Gateway Communities Need Public Lands

Gateway communities in America, by their very nature, are close to public lands. This symbiotic relationship creates an arrangement where the public lands users need the community for services while the communities need the public lands as an attraction. As more and more communities are transitioning into more diverse economies that are less based on resource extraction, visitors to public lands will play an increasingly important role in local economies. In rural California, every \$63,000 dollars spent by visitors creates one new job. Many of those using public lands are international visitors who often make their visit to America a visit to our magnificent public lands and other parts of rural America. Germans alone account for hundreds of thousands of visits to public lands annually. One public lands attraction in Northern California surveyed visitors during a specific month several years ago, and 11% of the visitors were German. Obviously, the money spent by these visitors is important to both the local economies and to our balance of trade. In light of the recent terrorist tragedy in America the tourism industry knows it will be severely impacted. Those of us in the west also know that public lands will be the magnet that draws both domestic travelers and internationals back to rural America.

Why Charge Fees on Forest Lands?

Charging fees for the use of Forest Service lands is obviously a new concept. Several generations ago when

the National Park Service began charging fees, there were certainly many complaints. The Park Service had the obvious advantage of some of our most spectacular attractions and the ability to put a gate in front of them. This advantage is not always available to the Forest Service. Although the Forest Service may not have as many well-known attractions as the Park Service, it does have a far greater number of acres dedicated to general outdoor recreation. Some of America's most spectacular trails and vistas are on Forest Service lands, as well as many of the most heavily used waterways and lakes in our country are again managed by the Forest Service.

When discussing fees on the national forests, the inevitable question is "why pay for something that should be covered by our taxes"? The problem is it has not been covered by our taxes. In a recent survey conducted by the Forest Service on maintenance backlogs, it was determined that \$812 million dollars in unmet maintenance needs existed on Forest Service lands. This budgetary shortfall only likely to be exacerbated by the fiscal demands that the tragic events which occurred two weeks ago will place on our nation.

In California, I believe we cannot appropriate money fast enough to mitigate the effect of an ever increasing population and its use of public lands. California currently has 35 million people and it is expected that this will increase to more than 50 million by the year 2020. Appropriated funds should continue to provide most of the funding needed by the Forest Service. But, especially in heavily used recreation areas and at high use attractions, user fees make good sense. The primary reasons for fees in this area are:

Increased support for nationally designated areas Many of the nationally designated areas such as national recreation and scenic areas, monuments, national trails and historic sites have never received the funding necessary to mitigate the often heavy visitation at these locations. Charging fees at these sites certainly makes the greatest sense, as the user has a high perceived value of what they are receiving, as well as the obvious need to mitigate the impact of high usage. Charging fees at these locations also makes good sense as there are direct correlations between usage, need for mitigation, and fees collected.

Fees allow more timely responses to mitigation needs One of the major advantages of charging fees for a specific site or for heavily used disbursed areas, is the ability to solve problems and mitigate the impact of heavy usage in an immediate way. The appropriation process can often be lengthy and is usually not finely focused on the attraction needing funds for mitigating usage. In other words, funds collected for a specific site can usually hit the ground much faster than those coming from appropriated sources.

Local support for fees, when funds used locally There are numerous anecdotal reports that public lands users support fees when they know they are being used locally to provide improvements for the attractions they are using. On Shasta Lake, houseboat owners are charged an annual fee to have their boat on the lake. Recently when these houseboat fees were raised, the local boating club indicated they would not fight this fee increase because they knew the money collected would be staying at Shasta Lake and used to provide improvements from which they would benefit. In Southern California, a survey by the Los Angeles Times found that 62% of those surveyed indicated they approved of the Forest Service charging a user fee. Dr. Jerrell Richar of California State University, San Bernadino, conducted a user survey associated with the adventure pass program. Dr. Richar's survey indicated the vast majority of forest visitors support the program. 59% of survey respondents felt that they were better off with the adventure pass program, and its resulting improvements to the forest lands.

Fees provide matching funds for state grants An unanticipated benefit of collecting and retaining fees, has been the ability to use some of these fees for matching state program grants. In California there are several state grant programs that have been unavailable to the Forest Service in the past because of a lack of funds. These programs are under the California Department of Boating and Waterways, the California Off-Road Vehicle "Green Sticker" program and the California Department of Fish & Game. These state programs require a matching contribution and then these state grants provide for such important projects as boat ramps, handicapped access to attractions, and the development of trails and wildlife viewing areas.

Fees provide for unmet needs Experiences from my local forest, the Shasta-Trinity National Forest, provides several positive examples of the benefits of the fee demo program - with some being unanticipated when the program was first established. The retention of fees on Shasta Lake has provided the opportunity to fund worthy projects that would normally have not received funding. One of the most important projects on Shasta Lake, that has been funded by the retention of special use fees, is the marking of obstacles. This has greatly enhanced the experience and the safety of boaters on Shasta Lake, as there is now less worry about hitting barely submerged land points. Another major project recently completed on Shasta Lake is the addition of a state of the art accessible boat-loading platform, which provides greater access to the lake for people of all abilities. Prior to the completion of this project, many individuals with limited mobility had an extremely difficult time accessing the boating experience.

What works and what doesn't

The advantage of a demonstration program such as fee demo for the Forest Service is that it provides the opportunity to experiment with various fee collection programs. If one were to identify the biggest problem of demonstration programs, it would be the wider margin for errors a pilot program such as fee demo allows. Living inside a national recreation area has given me insight into the potential problems that a demonstration program can create.

When the fee demo program was first announced in the area I live, the local ranger district indicated a general use fee would be collected from everyone inside the recreation area. Living on a private "in holding" caused me to ask the question -- would I have to buy a permit to live inside a national recreation area? At the time, before fee demo was implemented, the local reaction by the recreation staff was, "No, not to live in the area, but, should you go off your property into the surrounding forest you would need a permit." Fortunately, clearer minds prevailed, and it became apparent that the only viable way to implement the fee demo program in the Shasta Lake National Recreation Area was through special use fee retention. There are several hundred private houseboat owners on Shasta Lake that pay an annual fee to be on the lake. Also, eleven marinas operate on Shasta Lake, offering more than 400 commercially available houseboats for rent. The special use fees paid by these marinas are now being utilized under the fee demo program. This program has worked extremely well because there is a finite number of potential payees into the fee demo program and collection approaches close to 100% compliance. Collection costs are just a very small percentage of the actual amount collected.

Another problematic area for any fee program is how to deal with local users. Often these users consider the public lands their backyard and are reluctant to pay a day use fee when they are on these public lands frequently. Almost all fee programs have identified this potential use and have developed season passes at very nominal charges. As an example what may be a \$5.00 daily fee usually translates into a \$25.00 to \$30.00 annual fee. Most locals, when they realize that the money is being used locally, and that it is very nominal fee, are okay with paying it.

Another important factor to consider is the perceived value of a particular attraction, and the fee connected with it. It is important that the Forest Service continue to adjust fees related to what is being received. For example, very primitive campgrounds should require lower fees than more developed campgrounds. Another issue arises in disbursed recreation areas such as in Southern California, when there are public highways going through these areas and fees are required for just stopping to take a walk. In recent years, administrators of the adventure pass program in Southern California, have realized that it is important to remove vista points and certain scenic sections of state highways, from fee collection.

The NAGC makes two specific recommendations regarding the future of the fee demo program, one pertaining to the collection of fees and the other to the expenditure of fee revenue.

Regarding fee collection, the NAGC strongly urges that the Forest Service and other public land agencies with fee demo authority, to follow more consistent collection policies both within and between agencies.

Public lands visitors are especially frustrated when they are required to pay different prices for similar services in the same national forest, or to be charged one fee by a national forest, another fee by an adjacent national park, another by an adjacent national recreation area and still another fee by another adjacent national forest. There absolutely must be scrupulous coordination and consistency within and between the land agencies.

Regarding fee revenue expenditures, gateway communities are concerned over instances when this revenue has been used to expand, modernize or construct new facilities, such as campgrounds, that are in direct competition with existing nearby businesses. We urge that Congress make clear that fee demo revenue is to be used to maintain existing facilities and visitor services - not to make them competitive with private sector businesses. In the example of campgrounds, fee demo should not be used to upgrade sites to accommodate large, modern recreation vehicles when those RVs can be readily served by private campgrounds.

Conclusion

The fee demo program for the Forest Service has been a learning experience for both the agency and the users. Initially strong opposition led many to believe this program would never work. Through a strong educational program and focused marketing to show the value of a fee program, the implementation of tangible projects paid for by fees, and the ironing out of some of the initial collection problems, fee demo has now developed into a viable program. User fees are a way of collecting money from those that actually use the forests and it provides for additional mitigation of usage that is unavailable under the normal Congressional appropriations process.

The National Alliance of Gateway Communities supports the fee demo program for the Forest Service because it serves gateway communities as well. Funds from fee demo are used to provide a better recreation experience on the public lands and provides the consumer with the understanding that there is product out there worth paying for. The fees have helped shrink a small portion of the backlog of maintenance while providing improved services and products, which enhance the visitor experience on Forest Service lands. While there is a need for improvement and refinement in the fee demo program in the Forest Service and in the other public land agencies, most notably in utilizing more consistent pricing and collection practices, and in avoiding expenditures that create facilities or services that compete directly with the private sector, we encourage Congress to continue this program while providing continued direction to the Forest Service and the other agencies to ensure that the program helps to achieve the goal we all seek, maintaining the national forests, parks and other public lands as the best, most visitor-friendly in the world.

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